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# OREGON MOTOR VEHICLE DEALERS SUPPORT HOUSE BILL 2264

Before the House Committee on Transportation / February 23, 2015

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Chair McKeown and members of the Transportation Committee:

The Oregon Vehicle Dealers Association represents nearly 600 independent business owners across the state of Oregon, making OVDA the largest auto dealer trade association in Oregon as far as we know. These dealers are primarily small businesses. On their behalf, OVDA monitors the Legislature and regulatory agencies with authority over motor vehicle dealers.

Part of the responsibility of the DMV Business Regulation Division is to deter "curbing" or "curbstoning" which is acting as a vehicle dealer without the required certification from the State of Oregon. The illegal sales of motor vehicles in Oregon victimizes thousands of consumers every year while also reducing revenue into the Department of Transportation for maintaining our system of roads and bridges.

In recent years, OVDA has encouraged the Legislature to provide DMV with addition tools to go after people selling motor vehicles illegally. Most recently, the Legislature increased the civil penalty to as much as \$5,000 per vehicle sold on the black market. We appreciate your efforts.

Sadly, this is not enough because some career criminals are simply ignoring civil penalties and continuing to sell motor vehicles on the black market. *A civil penalty is not a deterrent to someone who will not pay the fine.* As a result, OVDA asks the Legislature to add the motor vehicles being sold and other proceeds of the illegal sale of motor vehicles to the existing statutes allowing law enforcement agencies to seize a motor vehicle. Perhaps taking the inventory and proceeds of the illegal sale of motor vehicles will provide career criminals with the incentive to stop selling cars or move their illegal operations outside the State of Oregon.

With the Committee's permission, we would like to request an amendment to the bill, at the behest of the Department of Justice, to clarify that innocent purchasers will not have the vehicle they purchase seized as part of the effort to end these criminal enterprises. We fully support that clarity. At the same time, we will add language adding the ability to seize the proceeds of the illegal sale to the seizure of motor vehicles.

Thank you for your interest in this important consumer protection bill. I am happy to answer any questions.

**Oregon Vehicle Dealers Association**

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